Royal Dutch Shell plc

These interim accounts are prepared only for the purposes of Sections 270 and 272 of the Companies Act 1985. They are abridged and unaudited.

| | Period from 1 January 2006 to 31 December 2006 $ million |
|---|---|
| INCOME STATEMENT | |
| Administrative expenses | (31) |
| Dividend income | 17,174 |
| Finance income, net | 453 |
| Profit before taxation | 17,596 |
| Taxation | 42 |
| Profit for the period | 17,638 |

| | |
|---|---|
| STATEMENT OF RETAINED EARNINGS | |
| Retained profit at 1 January 2006 | 4,323 |
| Profit for the period | 17,638 |
| Dividends paid | (8,143) |
| Repurchase of issued capital | (8,201) |
| Retained profit at end of period | 5,617 |



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Royal Dutch Shell plc

These interim accounts are prepared only for the purposes of Sections 270 and 272 of the Companies Act 1985. They are abridged and unaudited.

| BALANCE SHEET | 31 December 2006 $ million |
|---|---|
| Non-current assets | |
| Investments in subsidiaries (Note 2) | 200,613 |
| Deferred tax asset | 10 |
| Current assets | |
| Receivables | |
| Amounts due from subsidiary companies | 6,606 |
| Other receivables | 27 |
| Cash and cash equivalents | 647 |
| | 7,280 |
| Total assets | 207,903 |
| Current liabilities | |
| Withholding tax payable | 242 |
| Payables to group companies | 668 |
| Other creditors | 7 |
| Total liabilities | 917 |
| Equity | |
| Issued capital (Note 3) | 545 |
| Share premium | 154 |
| Capital redemption reserve (Note 4) | 39 |
| Other reserve (Note 4) | 200,631 |
| Retained earnings | 5,617 |
| | 206,986 |
| Total equity and liabilities | 207,903 |

Director

31 January 2007

***Notes to Financial Statements***

## 1. Accounting policies and convention

The accounting policies of Royal Dutch Shell plc (the "Company") are explained in the relevant notes.

*The interim accounts and notes on pages 1 to 4 herein have been prepared to support the proposed dividends* on the Class A and Class B Ordinary shares, in accordance with and for the purposes of sections 270 and 272 of the Companies Act 1985 and on the basis of accounting policies which are in accordance with International Financial Reporting Standards ("IFRS") for determining whether the proposed distribution would contravene the said Act.

The accounts have been prepared on the historical cost basis.

These interim accounts do not constitute statutory accounts within the meaning of section 240 of the Companies Act 1985. Statutory accounts for the years ending 31 December 2006 will be delivered to the Registrar of Companies in England and Wales.

## 2. Investments

Investments in subsidiaries are stated at cost, net of pre-acquisition dividends.

## 3. Issued capital

At 31 December 2006 the share capital of the Company was:

| **Authorised** | **Nominal value original currency** |
|---|---|
| 4,077,359,886 (31 December 2005: 4,077,359,886) Class A shares of €0.07 each | €285,415,192 |
| 2,759,360,000 (31 December 2005: 2,759,360,000) Class B shares of €0.07 each | €193,155,200 |
| 3,101,000,000 (31 December 2005: 3,101,000,000) unclassified shares of €0.07 each | €217,070,000 |
| 62,280,114 (31 December 2005: 62,280,114) Euro deferred shares of €0.07 each | €4,359,608 |
| 50,000 (31 December 2005: 50,000) Sterling deferred shares of £1 each | £50,000 |

| **Issued** | **Nominal value original currency** | **Nominal value \$ million** |
|---|---|---|
| 3,695,780,000 (31 December 2005: 3,935,625,000) Class A shares of €0.07 each | €258,704,600 | 312 |
| 2,759,360,000 (31 December 2005: 2,759,360,000) Class B shares of €0.07 each | €193,155,200 | 233 |
| Nil (31 December 2005: 62,280,114) Euro deferred shares of €0.07 each | - | - |
| 50,000 (31 December 2005: 50,000) Sterling deferred shares of £1 each | £50,000 | - |
| **Total** | | **545** |

On 6 January 2006 the Company issued 4,827,974 Class A shares in exchange for the loan notes issued to the remaining public shareholders of Royal Dutch Petroleum Company on 21 December 2005.

On 8 March 2006, the directors resolved to redeem, with immediate effect, 62,280,114 Euro deferred shares for €0.01 *in total, in accordance with the rights attaching to those shares.*

In the period from 3 January to 15 December 2006 244,672,974 Class A Shares were repurchased under the Company's share buyback programme and cancelled.

## 4. Reserves

*Capital redemption reserve*

As required by the Companies Act 1985, the equivalent of the nominal value of shares cancelled is transferred to a capital redemption reserve.

*Other reserve*

The other reserve represents the difference between the cost of the investment in the Royal Dutch Shell Group and the nominal value of shares issued in exchange for that investment.

In addition the other reserve includes the fair value of share-based compensation granted to employees under the Company's schemes, which is to be charged to the relevant employing Royal Dutch Shell Group Company with a corresponding increase to equity.